

**MEETING SUMMARY**  
**PROPERTY TAX ADMINISTRATION TASK FORCE**  
**May 22, 2002 10:00 AM TO 3:00 PM**  
(LOCATION: Tallahassee Regional Airport)

FULL MEMBER SESSION-10:00 AM to 3:00 PM

**MEMBERS PRESENT:** Jim Zingale, Rod Adams, Jimmy Alvarez, George Burnham, Fred Cole, Bill Coleman, Laura Feagan (sitting in for Terry Lewis), Morgan Gilreath, Bill Graham, Fred Meeker, Sharon Outland, Bob Rackliff, Farr Miller (sitting in for Ken Small), Bill Suber.

**MEMBERS ABSENT:** Keith Baker, Bob Banting, Steve Birtman, Ali Korman, Terri Lewis, Randy Miller, Matt Ryan, Vicki Weber, and a representative for Tax Executive's Institute.

(NOTE: Due to a malfunction in the recording equipment, no legible tapes were made for this meeting.

Chairman Zingale welcomed the members at the fifth meeting held under the Legislature's creation of the extension of the Property Tax Administration Task Force.

Lisa Echeverri, the Department's Legislative and Cabinet Affairs Director, provided an overview of legislation for 2002 that affects property tax. She provided the committee with a list of the bills and the general content of the bills. There were 21 property tax specific bills.

Steve Keller discussed the legislative issues in more detail and provided the Department's legislative implementation plan for bills affecting property tax administration. See document titled, "Post Legislative Review, Draft 05/21/02, Prepared by Steve Keller. Then Mr. Keller provided a brief discussion concerning recent court decisions and litigation issues covering the last quarter. See document titled, "Recent Court Decisions and Litigation Issues, May 22, 2002.

Al Mobley, a program administrator with Property Tax Administration Program, provided the members with a briefing about the Real Property and Market Area Guidelines. The promulgation process for both guidelines is on schedule.

David Beggs made the final individual presentation for the day. Mr. Beggs' presentation included a status report on the re-engineering process currently underway in the Property Tax Administration Program. See document titled, "Strategic Initiative 10: Re-engineer Real Property Process -- Strategy Team Status Report.

David next presented an overview of the contents of a report titled, "Mobile Home License Tag Enforcement," dated May 22, 2002. A brief discussion and question and answer session followed.

**FACILITATED DISCUSSION**

After the individual presentations were completed, the task force continued its discussion and ranking of issues identified by the task force as those issues which could be handled and/or investigated by the task force for the remainder of the task force term. The membership requested staff provide the panel with additional information and reports in order to clarify the issues.

For a replicated copy of the flip charts created during the meeting, see the attached document, "Flip Charts -- Property Tax Administration Task Force, May 22, 2002.

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The final business of the day was spent discussing a date, time and place for the next meeting. Members agreed that the date and time would be determined through an email solicitation to the members later on in June.

The meeting adjourned at approximately 3:00 PM.

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PREPARED BY KATHY HENLEY  
May 01, 2002

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**Flip Charts**  
**Property Tax Administration Task Force**  
**May 22, 2002**  
**Staff Assignments**

**Non-Complex Issues**

Issue 2: Confidentiality of information provided to VAB and property appraiser:

**How to maintain confidentiality**

- **Florida public records law**
- **Rent rolls**
- **Profit and loss statements**
- **Personal and corporate income tax records**

**Provide more clarification**

**Include public records considerations**

**Staff should prepare proposed language for next meeting**

**VAB confidentiality versus public statements at hearing – Issue should be specifically addressed**

**Keep issue alive and bring back to next meeting**

Issue 11: VAB appeals notification

**Who would do notification? Is it the VAB?**

**Would a rule or law be required?**

**Staff should make recommendations on form change should take**

**Timing of notification is important**

Issue 14: Property Access

**Include both the property appraiser's office and the Department**

**(Nothing on flip chart, but staff probably instructed to bring back draft legislation for next meeting)**

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**Involved (Somewhat Complex) Issues**

Issue 1: Real and tangible personal property tax guideline changes

**Should include legislative and court cases**

**Staff should return with proposed language**

**Strike the reference to "TPP" in the staff comments section of the summary sheet**

Issue 3: TRIM procedures

**Reflect budget increases**

**Factors affecting local budgets**

- **CPI**
- **Population growth**
- **State mandates**

**Staff should bring back proposed alternative language**

**Include new construction in calculation**

**Staff should research legislative history of TRIM and original reasons for enactment**

**Ad valorem focus versus budget focus**

Issue 5: Overpaid taxes

**Fairness issue is important**

**Staff should return with suggested language**

Issue 8: Levels of assessment for FEFP

**Limit issue to ad valorem tax related issues**

**Ability to do non-in-depth studies should be improved**

**Possible solution – Do away with**

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**Repeal certification of the ratio**

**Must ensure that no school is adversely impacted**

Issue 10: Sale of Save Our Homes property

**Fairness to homebuyers**

**Realtors**

**Title companies**

**Full disclosure provisions on realtor side**

**Staff research on potential places to put disclosure**

Issue 13: Senior exemption simplification/definition of income

**Definition of income – Gross income vs. net income**

**Contributing factors:**

- **Accuracy of current measure identifying low income**
- **Fairness in targeting low income seniors**

**Proposed solution**

- **Use gross income instead of net income**

Issue 15: Household TPP valuation in real property transfers

**TPP include in sales price**

- **Fully furnished condos**

**Difficulty of determining amount of TPP**

- **Interior inspections (as solution)**

**Two issues:**

- 1. Too many doc stamps purchased**
- 2. Not enough doc stamps purchased**

**Should consider commercial sales in addition to residential**

**DR-219 is an issue**

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**Greater problem definition needed**

**Who is responsible for ensuring the correct amount of stamps?**

**Staff should research \$100 sales to see if they are accurate**

**Should look at statutory issue as well as enforcement issue**

**Staff should research Illinois Land Trust transfers**

**Short term – Doc stamp avoidance**

**Long term – Effect on property value because stamps are used to help determine value**

**Staff should re-write issue statement to pick up parallel tracks (doc stamp and ad valorem) and enforcement versus statutory issue**

Issue 16: Valuation of percentage complete on January 1

**Requires statutory change**

**Need guidance on how to value based on partial completion**

**Staff should research surrounding states, especially Georgia**

## Complex Issues

Issue 4: Sales tax on TPP

**Hold off until next time**

Issue 6: Airport/seaport and special district issues

**Hold off until next time**

Issue 7: 1<sup>st</sup> and 8<sup>th</sup> criteria – Options

**Bill Graham will forward information for package**

**Potential for DOR to contract for third party study. Check the Tom Herndon contract proposal.**

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**Staff work with John Everton, Hugh Harrell and Charlie Gordon to conceptualize and define issue**

**Two issues:**

- **DOR policy of backing off 15% in all circumstances**
- **Application of criteria at VAB hearings**

Issue 9: Mobile home taxes

**Monitor status and turn issue over to F&T committees**

**Staff meet with legislative staff**

Issue 12: TRIM calendar

**35 days from certification of value**

**No earlier than June 15 – Sharon Outland**

**Meet with cities and counties to explore further – Jim Zingale**

- **DOR provide data earlier?**
- **DOR data level of accuracy?**

Issue 17: Non-Ad Valorem Assessment - TRIM

**Not discussed**

New Issues

**Adams: Notice requirement for annexations and new municipalities**

**Need timely input on annexation and new municipalities**

**Coleman: SB 1360 - Rules for VAB**

**Requirement for VAB's to adopt rules and/or guidelines**

**Local or statewide?**

**Critical stages of VAB**